

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF OKLAHOMA

FILED
JUL 29 2008
WILLIAM B. GUTHRIE
Clerk, U.S. District Court
By Deputy Clerk

SETCO, Inc.

Plaintiff,

v.

Case No. **CIV 08 - 286 - KEW**

BFS Diversified Products, LLC,

Firestone Industrial Products Company,

and

**Bridgestone/Firestone Americas Holding,
Inc.**

Defendants.

COMPLAINT

Plaintiff, SETCO, Inc. ("SETCO") states its claims for relief against Defendants, BFS Diversified Products, LLC, ("BFS") a subsidiary of Bridgestone/Firestone Americas Holding, Inc., and related company Firestone Industrial Products Company, as follows:

THE PARTIES

1. SETCO is a corporation organized and existing under the laws of Oklahoma, having its principal place of business at 1803 NW Seminole, Idabel, OK 74745 in McCurtain County, Oklahoma.

2. BFS is a limited liability company of Delaware having a place of business at 310 East 96th Street, Indianapolis, Indiana, and is a subsidiary of Bridgestone/Firestone Americas Holding, Inc., a limited liability company of Delaware having its principal place of business at 1200 Firestone Parkway, Akron, Ohio and Firestone Industrial

*waiver form provided
consent form provided*

Products Company, having a place of business at 250 West 96th Street, Indianapolis, Indiana.

JURISDICTION AND VENUE

3. The claim asserted herein arises under the Declaratory Judgment Act, 28 U.S.C. § 2201, and seeks a determination by this Court of the rights and obligations of the parties under the Lanham Act, 15 U.S.C. § 1051, *et. seq.*

4. This Court has subject matter jurisdiction over the claims arising under the Lanham Act based on 15 U.S.C. § 1121 and 28 U.S.C. §§ 1331 and 1338(a), because the claims arise under federal law.

5. Venue is proper in this district pursuant to 28 U.S.C. § 1391 as a substantial part of the events or omissions giving rise to the claims made herein occurred in the Eastern District of Oklahoma.

FACTS

An Actual Controversy Exists Between the Parties

6. In a letter dated July 17, 2008, BFS, through its attorneys, sent SETCO a letter that among other things asserted ownership of U.S. Registration No. 371,807 (the mark AIRIDE, for goods identified as “pneumatic suspension and shock absorbing units for land vehicles and airplane landing gear”). The BFS letter also asserted that SETCO’s use of the words Air Ride (for SETCO solid rubber tires) is considered equivalent to BFS’s use of the word AIRIDE for trademark purposes and demanded that SETCO “cease and desist from any further use of AIR RIDE.”

7. BFS further asserted that SETCO’s use of the words Air Ride to identify SETCO’s products “constitutes trademark infringement and unfair competition under

federal laws (specifically U.S.C. sections 1114(1) and 1125(a) (1) (A)), and under various state laws.”

8. SETCO disagrees with the assertions by BFS and vigorously contends that its actions are not unlawful in any way under the federal statutes or state laws as asserted by BFS.

9. SETCO asserts that BFS does not have valid trademark rights under federal law or state law, and in the alternative if any such rights exist they are unenforceable against SETCO’s use of Air Ride for its products.

10. SETCO asserts that it does not infringe any valid or enforceable trademark rights of BFS.

11. An actual controversy exists between the parties.

BFS Is Prevented By Latches From Asserting AIRIDE Against SETCO’s Use Of Air Ride

12. Since at least August 1993, SETCO (by and through its predecessor in interest and/or affiliated companies) has used the term Air Ride to identify SETCO’s solid rubber tire and rim assemblies that are used on heavy construction equipment. SETCO has marketed its solid rubber tire and rim assemblies using the term “Air Ride” to indicate a feature of the tires, namely that the tires have a plurality of air holes formed into the solid rubber to provide a smooth ride.

13. The terms “AIR RIDE”, “AIRRIDE”, and “AIRIDE” are used extensively by many manufactures and sellers of pneumatic suspension systems and shock absorbers other than BFS.

14. On information and belief, many of such uses of the terms “AIR RIDE”, “AIRRIDE”, and “AIRIDE” by others have been within the knowledge of BFS for many

years without objection, many of such uses have been and continue to be made without permission of BFS.

15. On information and belief, many of such uses of the terms “AIR RIDE”, “AIRRIDE”, and “AIRIDE” by others have been made by others without BFS exercising any control over the nature or quality of the goods sold and marketed by others using those terms to identify the products.

16. The uses of the terms AIR RIDE, AIRRIDE, and AIRIDE have not been sufficiently policed or controlled by BFS to continue the function of such marks as a source indicator for BFS. The terms have become generic names for the type of suspension systems and shock absorbing units also described as pneumatic (air supported) suspension and air shock absorbing units for vehicles, or such terms are at most merely descriptive of pneumatic suspension systems and shock absorbing units for vehicles, and none of such terms currently serve to indicate BFS or any other particular company as a sole and exclusive source for these types of products. BFS no longer has, if it ever did, any protectable trademark rights in the term AIRIDE.

17. SETCO (by and through its predecessor in interests and affiliated companies) has been using the terms Air Ride to identify its unique solid rubber tire and rim assemblies with a plurality of holes in the tire from at least as early as August 1993.

18. SETCO's use of Air Ride in connection with its solid rubber tire and rim assemblies has been open and notorious, including advertising in national trade magazines and publications from at least as early as 1993. SETCO has been permitted to use Air Ride in promoting its products without objection from BFS for many years prior

to the present controversy represented by the BFS's Cease and Desist letter of July 17, 2008.

19. The terms Air Ride, used in connection with solid rubber tire and rim assemblies with a plurality of holes in the tires for a smooth ride for front end loaders, bulldozers, tractors, and other heavy equipment, has become associated in the minds of SETCO's customers with SETCO as the sole source of origin of SETCO's solid rubber tires.

20. SETCO has been using the term Air Ride without any known instances of actual consumer confusion.

21. BFS has publicly announced on its website that BFS is the subsidiary of Bridgestone/Firestone Americas Holding that is "responsible for its non-tire business."

22. It is reasonable, and has been reasonable, for SETCO to rely upon the inaction by BFS against manufactures of other air suspension products using Air Ride, the inaction by BFS and acquiescence to SETCO's use of the terms Air Ride in connection with solid rubber tires for many years, and the fact that BFS is only in the non-tire business, for continuing to use Air Ride for SETCO's solid rubber tires and for expending, as it has, significant amounts for advertising, promotion, and marketing.

23. SETCO has invested substantial time, effort, and money promoting and marketing its distinctive solid rubber tire and rim assemblies under the terms Air Ride. Equitable principles of Laches and Estoppel prevent BFS from enforcing any trademark rights whether from the federal registration for AIRIDE, state trademark or unfair competition laws, or otherwise against SETCO's use of Air Ride.

No Likelihood Of Confusion Is Caused By SETCO's Use Of Air Ride

24. There is no likelihood of confusion between Air Ride used in connection with solid rubber tire and rim assemblies for front end loaders, bulldozers, tractors, and other heavy equipment, and AIRIDE registered for pneumatic suspension and shock absorbing units for land vehicles and airplane landing gear.

25. The words "Air Ride" and "AIRIDE" have different spellings, different word constructions, and different appearances. The combined term "AIRIDE" can easily be pronounced differently so that the sounds of the terms are also different.

26. SETCO's goods that may be described as "solid rubber tire and rim assemblies for front end loaders, bulldozers, tractors, and other heavy equipment," are different from the goods identified in BFS's registration as "pneumatic suspension and shock absorbing units for land vehicles and airplane landing gear."

27. The channels of trade and commerce for SETCO's solid rubber tire and rim assemblies for front end loaders, bulldozers, tractors, and other heavy equipment is primarily to scrap yards, waste management companies, and recycling facilities and is different from the channels of commerce for BFS's non-tire business for pneumatic suspension and shock absorbing units.

28. BFS's mark, AIRIDE, is not protectable as it is generic or, alternatively, it is merely descriptive. The words "air ride", in whatever form, are, at most, generic for pneumatic suspension, air springs and air shock absorbers for vehicles. There are numerous public and commercial uses by individuals, consumers, manufacturers, distributors, and merchants of the terms Air Ride as the name of the type of air suspension, air spring, or shock absorber products that use air, enclosed in a sealed compressible chamber to provide an air cushioned vehicle ride. These devices are know

as air ride suspension, air ride springs and air ride shock absorbers, regardless of the manufacture or source of origin. There are many US Registrations that describe this feature of vehicular suspension, springs and shocks as riding on air with the combination of terms Air and Ride such that at most any use of the combined term AIRIDE for “pneumatic suspension and shock absorbing units for land vehicles” has become generic, is merely descriptive, or is at most very weak for trademark purposes.

29. BFS is also the owner of US Registration No. 3102598 for the mark AIR RIDE Technologies (and design) for goods including “...airsprings, shock absorbers, leaf springs and suspension systems for automobiles...” in which registration, the phrase “AIR RIDE” is disclaimed as being descriptive of the goods and in which the applicant argued that the cited prior registered mark (AIRIDE, Reg. No 371,807) “is a telescoped word AIRIDE having only one R” and is distinctive from the mark “AIR RIDE Technologies.”

30. The term “air ride” has been used generically by those in the industry including in US Patents to refer to pneumatic suspension components. For example, the term “air ride springs” is used at column 4, lines 13-14 in US Patent No 4,325,884, issued April 20, 1982 assigned to The Firestone Tire & Rubber Company, Akron Ohio.

31. The relevant consumers of BFS’s pneumatic suspension and air shocks are accustomed to multiple companies and suppliers using the terms “Air Ride” to refer to the type of pneumatic (air) supported suspension products they are providing and such relevant customers will be spending a significant amount of money for such products and they are capable of distinguishing between the products on the basis of other indicia of the source of such products.

32. The relevant consumers of tire and rim assembly products marketed by SETCO using the terms Air Ride will be spending significant amounts of money to purchase large heavy equipment solid rubber tire and rim assemblies and are sufficiently familiar with SETCO's products and sufficiently sophisticated to distinguish SETCO as the source of origin of such products not any one of a number of others using the terms AIR RIDE, AIRRIDE, or AIRIDE for air springs, air suspension, and air filled shock absorber products.

33. There have been no instances of actual confusion related to SETCO's products.

34. The overall commercial impression is distinct between AIRIDE for "pneumatic suspension and shock absorbing units for land vehicles and airplane landing gear," and Air Ride for solid rubber tires for front end loaders, tractors and other heavy equipment, so that no likelihood of confusion is created by SETCO's use of the term Air Ride.

BFS's Registration of AIRIDE Is Invalid, Unenforceable, And Should Be Cancelled

35. On information and belief, for many years prior to July 17, 2008 and the sending of the Cease and Desist Letter, BFS abandoned and did not continuously enforce and did not prevent others from using the mark AIRIDE, AIRRIDE, and/or AIR RIDE for the goods identified in the Reg. No 3102598 and currently does not control the use of the mark on the goods identified in the registration.

36. On information and belief, BFS rights in the mark AIRIDE and in its registrations therefore have been abandoned, are invalid, are unenforceable, and should be cancelled.

CLAIM FOR RELIEF

(Declaratory Judgment For Trademark Noninfringement)

37. SETCO adopts and re-alleges paragraph nos. 1 - 36 of this Complaint.

38. The facts set forth herein establish that an actual controversy exists as between BFS and SETCO regarding the trademark AIRIDE, Reg. No. 371,807.

39. SETCO is entitled to an order from this court finding that its use of the words "AIR RIDE" does not infringe on the trademark, Reg. No. 371,807.

40. SETCO is further entitled to an order from this court that the trademark, Reg. No. 371,807 is invalid and unenforceable.

PRAYER FOR RELIEF

WHEREFORE, SETCO prays that the Court enter judgment that:

A. The trademark AIRIDE, Reg. No. 371,807 is invalid and not infringed by SETCO;

B. The trademark AIRIDE, Reg. No. 371,807 has been abandoned by BFS, it is invalid and the US Patent and Trademark Office should cancel the registration;

C. The trademark AIRIDE, Reg. No. 371,807 is generic for pneumatic (air) suspension and air shock absorber units for land vehicles and the US Patent and Trademark Office should cancel the registration;

D. SETCO's use of Air Ride in connection with solid rubber tire and wheel assemblies does not create any likelihood of confusion with the mark AIRIDE, Reg. No. 371,807 of BFS;

E. SETCO's use of Air Ride in connection with solid rubber tire and wheel assemblies does not create any likelihood of confusion with the mark AIRIDE or with any valid trademark rights of BFS in any terms AIR RIDE, AIRRIDE and AIRIDE;

F. SETCO's use of Air Ride in connection with solid rubber tire and wheel assemblies does not create any likelihood of confusion with any valid state or common law trademark AIRIDE or with any valid trademark rights of BFS in any terms AIR RIDE, AIRRIDE and AIRIDE;

G. SETCO's use of Air Ride in connection with solid rubber tire and wheel assemblies is not unlawful as asserted by BFS and does not constitute unfair competition under federal or state law;

E. SETCO be granted such other and further relief as the Court deems just and proper.

Respectfully submitted,

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